

BETHLEHEM STEEL DIVIDENDS EARNED

Inventories Reduced to Lowest
Point in 1921, One of In-
dustry's Worst Years.

The Bethlehem Steel Corporation in 1921 not only earned its dividends with a substantial margin to spare, but reduced its inventories to the lowest figure they have ever been since the corporation has had its present capacity, and ended the year in an excellent cash position. This was revealed yesterday when, after a meeting of the directors at which the regular common and preferred dividends were declared, Eugene G. Grace, president, issued a statement.

Net earnings after charges and after extraordinary deductions on account of future bond redemptions amounted to \$8,028,803 or \$7.69 a share on the common stock after preferred dividends. Comparisons are as follows:

	1921.	1920.
Gross sales	\$1,747,352	\$2,744,393.26
Expenses and taxes	1,250,458.89	2,309,488.84
Net profit	\$496,893.37	\$434,904.42
Other income	2,504,114	1,380,182
Interest and discount	9,419,108	7,061,260
Depreciation and depletion	6,002,715	13,941,514
Net income	10,332,904	14,858,893
Dividend on common stock	2,304,000	2,304,000
Dividend on preferred stock	\$2,000,000	\$2,000,000

Before the deduction of the charge for subsequent redemption of bond and interest the earnings were \$11,552 a share on the common stock. Orders for the year, Mr. Grace said, accrued largely from orders on the books at the beginning of the year. The year, he said, was one of the worst ever experienced in the modern steel industry. Orders at the end of the year were valued at \$50,184,000 compared with \$145,287,000 a year before. This estimate makes allowance for expected cancellations of orders on the naval program. New business booked during the year amounted to \$52,872,000.

The balance sheet will show current assets over current liabilities of \$38,637,675 compared with \$77,474,000 a year ago. The cash and liquid securities, largely United States Treasury obligations, amounted to \$54,831,227, compared with \$29,078,783. The value of all inventories was \$41,116,000, compared with \$13,208,878, the deaths having been deducted gradually from earnings.

Allowances for depreciation and depletion aggregated \$6,002,715, making the total out of earnings for five years \$30,500,000, providing for the claims against the corporation made after 1914, as well as the excess cost of commercial plants constructed during the war period. Of a total property account of \$335,000,000, less than \$1,000,000 is represented by investments in ordnance stocks.

Mr. Grace said that the plants are operating about 80 per cent. capacity, while the only activities in the shipbuilding plants are the completion of a few old contracts and the execution of a fair amount of repair business. Inquiries as well as the planning of new projects are more active, he said.

"Just as soon as the country can be given cheaper transportation, cheaper fuels and cheaper building operations through the lowering of the high labor rates," Mr. Grace said, "we should start forward, provided necessary revisions are made in the present tax laws and the American merchant marine is made possible through the economical and efficient distribution throughout the world of our farm and manufactured products."

The directors declared the regular quarterly dividend of 1 1/2 per cent. on both classes of common stock, payable April 1 to stock of record March 14.

\$3,000,000 MORE GOLD HERE.

Shipped From Sweden to Pay for Imports From United States.

The Swedish-American Iron Stock-hold brought in yesterday from Gothenburg \$3,000,000 in gold, consigned to New York banks in payment for goods bought in the United States. The purser said that the ship just missed a shipment of \$100,000,000, said to be from the Russian government for grain purchased here. That money will be shipped on another vessel of the line.

The Bergenfjord of the Norwegian-American Line, Captain Christian, had aboard a ton of gold coin and some gold bars consigned to the National City Bank. Capt. Ole Bull said he did not know whether or not it was from Russia, as had been reported.

OTIS STEEL LOSS \$1,214,550.

The Otis Steel Company reports for the first three quarters of 1921 a net loss of \$1,214,550 after charges but before depreciation. Its operating loss was \$224,137, and other income \$68,883. The company's income charges amounted to \$297,464, and its subsidiary companies incurred a loss of \$1,582. Preferred dividends of \$109,971 were declared by the company, making its final deficit for the year \$1,023,821.

ARMOUR'S ISSUE DENIAL.

WASHINGTON, Jan. 26.—Denial that Armour & Co. had violated provisions of the packers and stock yards law, as charged by the Kansas City Live Stock Exchange in a complaint filed with the Department of Agriculture, was issued today by representatives of Armour & Co.

CUSTOM HOUSE RECEIPTS.

The receipts for duties at the Custom House yesterday were \$37,655,22, of which \$247,704.25 was for merchandise withdrawn from bonded warehouses, \$300,821.12 for recent imports.

LONDON WOOL MARKET.

LONDON, Jan. 26.—There was a strong demand for all classes at today's wool sale. Full market was reached, and most of the 11,513 bales offered were sold.

Eastman Kodak

Atlas Port. Cement

City Investing

Lehigh Valley

A. O. Smith

Stone, Prosser & Doty

32 William St., N. Y. Hanover 7733

Amer. Gas. & Elect.

Amer. Lt. & Tract.

H. F. McConnell & Co.

Members New York Stock Exchange

65 Dime, N. Y. Tel. Ecol. Gr. 5000-89

Guaranty Trust Company

of New York

140 Broadway Fifth Ave. & 44th St.

Madison Ave. & 60th St. 268 Grand St.

\$1,564,789.607 IN 1921 FOR METROPOLITAN LIFE

Business of Insurance Company Gains \$626,000,000.

SETS OIL EXCHANGE BASIS.

Middle States Corporation Outlines

Merger Plans.

The Middle States Oil Corporation announced yesterday plans for the exchange of outstanding stock of the Texas Chief Oil Company, Dominion Oil Company and Ranger Texas Oil Company for the stock of the Middle States Corporation at the rate of 37 shares of Middle States stock for \$10 of any of the foregoing shares, and for the exchange of stock of the Imperial Oil Corporation, both common and preferred, at the rate of \$3.50 of Middle States stock for \$10 of Imperial common and \$6 of Middle States stock for \$10 of Imperial preferred.

This consolidation effects no increase in the outstanding capital stock of these companies, but amounts to an actual decrease of \$1,396,000 in par value of their capital.

NORFOLK AND WESTERN GAINS.

Reports \$2,138,886 Net Operating

Income Saved in December.

The Norfolk and Western Railway's report for December shows a net operating income of \$2,138,886 in net operating income saved out of gross operating revenues of \$7,218,394 after deductions for operating expenses and taxes and adjustments for joint facility rents. That amount represented a gain of \$1,248,875 in net operating income, compared with that of December, 1921, when only \$890,211 in net operating income was saved out of the larger gross operating revenue, amounting to \$8,440,833, which indicates clearly the effect of reduced costs for labor and materials and the result of increased operating efficiency.

The road's remarkably good showing for December brings its total net operating income for 1921 up to \$14,870,021, in contrast to \$2,655,117 in net for the corresponding twelve months of 1920. Its gross operating revenues aggregated \$30,760,590, in contrast to \$38,459,355 in 1920.

N. Y. RESERVE STATEMENT.

RESOURCES

Jan. 25. Jan. 18.

Gold and gold certificates \$288,709,899 \$288,749,000

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FEDERAL RESERVE BANK STATEMENT

Note Circulation Reduced
Again; Gold Holdings In-
crease; Ratio Goes Up.

Special Dispatch to THE NEW YORK HERALD.

New York Herald Bureau.

Washington, D. C., Jan. 26.

Further reduction by \$45,700,000 in Federal Reserve note circulation, accompanied by gains of \$5,000,000 in gold and of \$1,800,000 in other reserve cash, and a decrease of \$5,100,000 in deposit liabilities are indicated in the Federal Reserve Board's weekly consolidated bank statement. The Reserve ratio rose again from 78 to 77.3 per cent.

Federal Reserve Bank holdings of bills secured by United States Government obligations were \$30,500,000 less than the week before, larger reductions in paper secured by Victory Notes, Treasury notes and Treasury certificates being offset in part by an increase in holdings of paper secured by United States bonds. Other discounted bills declined \$32,900,000, while acceptances purchased declined \$1,800,000.

COMPARATIVE STATEMENT OF RESOURCES.

Jan. 25, 1922. Jan. 18, 1922. Jan. 18, 1921.

Gold and gold certificates \$288,709,899 \$288,749,000 \$288,749,000

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